

FISCAL NOTE

SB 687 - HB 1911

March 18, 1997

SUMMARY OF BILL: Expands the current 25% fee discount program for children of licensed public school teachers to include children of parents who are employed by a local education agency in a full-time capacity. The 25% discount will apply only for those eligible students enrolled at a state-operated higher education institution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$632,000

Assumes lost revenues to UT and Board of Regents systems will be replaced with state funds.

This estimate assumes the following:

1. There are approximately 38,000 full-time employees of local education agencies in a non-instructional capacity.
2. The participation rate for dependents of non-instructional employees is estimated to be 4%, or 1,520.
3. The average tuition discount of this program is estimated to be approximately \$416 per participant.

Details of this estimate are shown below:

Non-instructional employees	38,000
Participation factor	<u>4.0%</u>
Estimated participants	1,520
Estimated Maint. Fee Per Yr.	\$ 1,663 per year
Estimated Maint. Fee Disct. Per Yr.	\$416 (25% discount)
Est. Inc. in State Expenditures	<u>\$632,320</u> (\$416 x 1,520)

Note: *Participation rate based on estimates of past employee to participation ratios in similar programs.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director